

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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SECURITIES AND EXCHANGE COMMISSION, : ORDER OF APPOINTMENT  
Plaintiff, :  
-against- : 03 Civ. 2937 (WHP)  
BEAR, STEARNS & CO. INC., :  
Defendant. :

- - - - -X

SECURITIES AND EXCHANGE COMMISSION, :  
Plaintiff, :  
-against- : 03 Civ. 2938 (WHP)  
JACK BENJAMIN GRUBMAN, :  
Defendant. :

- - - - -X

SECURITIES AND EXCHANGE COMMISSION, :  
Plaintiff, :  
-against- : 03 Civ. 2939 (WHP)  
J.P. MORGAN SECURITIES INC., :  
Defendant. :

- - - - -X

SECURITIES AND EXCHANGE COMMISSION, :  
Plaintiff, :  
-against- : 03 Civ. 2940 (WHP)  
LEHMAN BROTHERS INC., :  
Defendant. :

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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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SECURITIES AND EXCHANGE COMMISSION, :  
Plaintiff, :

-against- : 03 Civ. 2941 (WHP)

MERRILL LYNCH, PIERCE, FENNER & :  
SMITH INCORPORATED :  
Defendant. :

- - - - -X

SECURITIES AND EXCHANGE COMMISSION, :  
Plaintiff, :

-against- : 03 Civ. 2942 (WHP)

U.S. BANCORP PIPER JAFFRAY INC., :  
Defendant. :

- - - - -X

SECURITIES AND EXCHANGE COMMISSION, :  
Plaintiff, :

-against- : 03 Civ. 2943 (WHP)

UBS SECURITIES LLC, :  
f/k/a UBS WARBURG LLC, :  
Defendant. :

- - - - -X

SECURITIES AND EXCHANGE COMMISSION, :  
Plaintiff, :

-against- : 03 Civ. 2944 (WHP)

GOLDMAN, SACHS & CO., :  
Defendant. :

- - - - -X

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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SECURITIES AND EXCHANGE COMMISSION, :

Plaintiff, :

-against- : 03 Civ. 2945 (WHP)

CITIGROUP GLOBAL MARKETS INC., :  
f/k/a SALOMON SMITH BARNEY, :

Defendant. :

- - - - -X

SECURITIES AND EXCHANGE COMMISSION, :

Plaintiff, :

-against- : 03 Civ. 2946 (WHP)

CREDIT SUISSE FIRST BOSTON LLC, :  
f/k/a CREDIT SUISSE FIRST BOSTON :  
CORPORATION, :

Defendant. :

- - - - -X

SECURITIES AND EXCHANGE COMMISSION, :

Plaintiff, :

-against- : 03 Civ. 2947 (WHP)

HENRY McELVEY BLODGET, :

Defendant. :

- - - - -X

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

- - - - -X

SECURITIES AND EXCHANGE COMMISSION, :

Plaintiff, :

-against- : 03 Civ. 2948 (WHP)

MORGAN STANLEY & CO. INCORPORATED, :

Defendant. :

- - - - -X

WILLIAM H. PAULEY III, District Judge:

On October 31, 2003, this Court approved and entered the Final Judgments in these related actions resolving the SEC's complaints against ten major investment banks and two individuals concerning equity research analyst practices in the late-1990s.<sup>1</sup> Pursuant to the Final Judgments, certain moneys from eleven of the twelve defendants<sup>2</sup> were deposited in Distribution Fund Accounts established at the Federal Reserve Bank of New York. See Implementing Order, dated October 31, 2003.

The Final Judgments require this Court to appoint a single Distribution Fund Administrator, recommended by the Commission. That individual is charged with developing and administering the Distribution Fund Plans for each Distribution

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<sup>1</sup> All defined terms from this Court's prior Orders in these actions apply to this Order.

<sup>2</sup> There is no Distribution Fund arising from the Merrill Lynch action.

Fund at the FRB-NY, distributing monies to eligible recipients, and dealing with the general administration and financial reporting duties of the various Distribution Funds. See, e.g., Bear, Stearns & Co., Inc. Final Judgment §§ IV & V.

The Commission recommended a number of highly-qualified and respected candidates for this Court's consideration. This Court reviewed submissions from the Commission concerning each candidate, conducted personal interviews, and received additional information concerning each nominee.

After careful consideration, this Court appoints the Commission's nominee Francis McGovern, Esq. as Distribution Fund Administrator. The contributing investment banks are directed to collect the data and information that they anticipate the Distribution Fund Administrator will need to fulfill his responsibilities. They are also directed to cooperate fully and completely with the Distribution Fund Administrator forthwith.

The Clerk is directed to file copies of this Order in all of the related actions: (1) SEC v. Bear Stearns and Co. Inc., 03 Civ. 2937 (WHP); (2) SEC v. Jack B. Grubman, 03 Civ. 2938 (WHP); (3) SEC v. J.P. Morgan Securities Inc., 03 Civ. 2939 (WHP); (4) SEC v. Lehman Brothers Inc., 03 Civ. 2940 (WHP); (5) SEC v. Merrill Lynch Pierce Fenner & Smith, Inc., 03 Civ. 2941 (WHP); (6) SEC v. U.S. Bancorp Piper Jaffray, Inc., 03 Civ. 2942 (WHP); (7) SEC v. UBS Securities LLC, 03 Civ. 2943 (WHP); (8) SEC

v. Goldman, Sachs and Co., 03 Civ. 2944 (WHP); (9) SEC v. Citigroup Global Markets Inc., 03 Civ. 2945 (WHP); (10) SEC v. Credit Suisse First Boston LLC, 03 Civ. 2946 (WHP); (11) SEC v. Henry M. Blodget, 03 Civ. 2947 (WHP); and (12) SEC v. Morgan Stanley & Co. Incorporated, 03 Civ. 2948 (WHP).

Dated: February 6, 2004  
New York, New York

SO ORDERED:

/S/ William H. Pauley III /S/  
WILLIAM H. PAULEY III  
U.S.D.J.